GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:3876
ANSWERED ON:23.12.2004
REVIVAL OF HMT
Shaheen Shri Abdul Rashid

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether the HMT Revival Plan-2000, has improved the monitoring of (i) HMT Watch Factory Bangalore (ii) HMT Chinar Watch Factory Srinagar (iii) HMT Machine Tool Ltd., Bangaore;

(b) the profit and loss position of the above subsidiaries after the Revival Plan-2000, factory-wise;

(c) whether the Government is safeguarding the interest of employees of the above subsidiaries; and

(d) if so, the steps taken to safeguard the interest of employees under the Revival Plan-2000?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI SONTOSH MOHAN DEV)

(a) Yes, Sir.

(b) A profit and loss statement is given below:-

(Rupees in lakhs)

UNIT/DIVISION	2000-01	2001-02	2002-03	2003-04
HMT Watches Ltd.	-5918	-10629	-11291	-13481
HMT Chinar Watches Ltd.	-795	-1016	-631	-2192
HMT Machine Tools Ltd.	-9617	-7065	-10205	-11908

(c) Yes, Sir.

(d) A statement giving steps taken to safeguard the interest of employees is enclosed.

STATEMENT

Statement referred to in reply to part (d) of the Lok Sabha Unstarred Question No. 3876 to be answered on 23.12.2004 regarding revival of HMT raised by Shri Abdul Rashid Shaheen.

The Revival Plan, 2000 for HMT and the subsidiaries (including the subsidiaries - HMT Watch Factory, Bengalore, HMT Chinar Watches Factory, Srinagar and HMT Machine Tools Ltd., Bangalore) also sought to safeguard the interests of employees. Besides, an infusion of Rs.250 crores to make the net worth positive and a Government guarantee of Rs.40 crores to HMT Watches for working capital, all outstanding statutory dues of employees upto March, 2000 were cleared. HMT Chinar Watches, Srinagar was also given salary support for 3 years. Further the man power was also right sized by offering VRS to 6947 personnel for which Rs.469 crores was borrowed by HMT against Central Government guarantee. There was also rationalization of employees medical facilities, leave travel concession, earned leave encashment etc. Recently Government have also sanctioned an amount of Rs.29.39 crores for HMT Watches, Rs.4.87 crores for Chinar Watches and Rs.5.81 crores for HMT Machine Tools for meeting the shortage in payment of salary/wages and statutory dues for the period upto 31.7.2004.